

**Memorandum of the Meeting  
Special Study Session  
Twenty-Sixth Town Council of Highland  
Monday, September 29, 2008**

The Special study session of the Twenty-Sixth Town Council of the Town of Highland was convened at the regular place, the Highland Municipal, 3333 Ridge Road, Highland, Indiana, in the plenary meeting room on Monday, September 29, 2008 at the standing time of 7:00 o'clock p.m.

**Silent Roll Call:** Mark Herak, Dan Vassar, Brian Novak, Konnie Kuiper, and Bernie Zemen were present. The Clerk-Treasurer Michael W. Griffin was present to memorialize the proceedings. A quorum was attained.

**Also present:**

John M. Bach, Public Works Director; Peter T. Hojnicky, Metropolitan Police Chief; Cindy Reno, Metropolitan Police Department; Kenneth J. Mika, Building Commissioner; Alex M. Brown, CPRP, Parks and Recreation Superintendent; William Timmer, CFOD, Fire Chief; and Kathleen A. Dowling, Deputy Clerk-Treasurer were also present.

Jim DeGraaf of the Town Board of Metropolitan Police Commissioners; and Ed Dabrowski of the Park and Recreation Board were also present.

**General Substance of Matters Discussed**

1. The Town Clerk-Treasurer presented a presentation regarding the proposed FY 2009 budget. The Town Clerk-Treasurer indicated that as proposed, the budget was in balanced by \$386,226.

The Town Clerk-Treasurer also reminded the Town Council that owing to the provision of IC 6-1.1—18.5-2(c), which reads: *"This subsection applies only to civil taxing units in Lake County. Notwithstanding any other provision, for property taxes first due and payable after December 31, 2007, the assessed value growth quotient used to determine a civil taxing unit's maximum permissible ad valorem property tax levy under this chapter for a particular calendar year is one (1) unless a tax rate of one percent (1%) will be in effect under IC 6-3.5-1.1-26 or IC 6-3.5-6-32 in Lake County for that calendar year."*

Based upon the foregoing, the Town was locked into its maximum levy of FY 2007, which was set forth as \$6,198,289. The Town Council was further advised that owing to provisions set forth in the HEA 1001, adopted in the 115<sup>th</sup> Indiana General Assembly, there would be a reduction to the maximum levy equal to the amount of "new money" associated with the State assuming the costs of the police pension liability. (See Section 840 of the bill, which follows.) The effect of the law was to reduce the maximum permissible levy for the Town of Highland to \$5,916,667.

SECTION 840. [EFFECTIVE JULY 1, 2008] For property taxes first due and payable after December 31, 2008, the department of local government finance shall reduce the maximum permissible *ad valorem* property tax levy of any civil taxing unit and special service district by the amount of the payment to be made in 2009 by the state of Indiana under IC 5-10.3-11, as amended by this act, for benefits to members (and survivors and beneficiaries of members) of the 1925 police pension fund, the 1937 firefighters' fund, or the 1953 police pension fund.

The Town Council, the department heads present and the Clerk-Treasurer discussed ways and means of reconciling the budget. In consequence of the discussions, the following budgetary modifications were suggested:

The Clerk-Treasurer indicated that owing to a review of the revenues estimates, he could increase revenues to the General Fund by \$46,750. In addition, the Town Council discussed adopting a 10% increase in Building Fees, increasing revenues by \$30,000. In addition, the Town Council discussed the establishment of a new fee for release and processing of subjects who in lieu of

incarceration, elect to bond out. The service fee is estimated to generate \$12,000. It was also suggested that the revenues for the Police Pension Fund include \$48,000 from the PERF Sub account, to cover the death benefits and to reduce the required property tax levy needed for the fund.

In addition, the Town Council discussed increasing the Solid Waste Management Fees by \$1.00 , to produce an estimated \$97,200.

The total revenue value described is \$233,950.

Reductions in spending to the following budgets were also agreed upon:

Reduce the Office of the Town Council in Corporation General Fund:	\$6,000
Reduce the Metropolitan Police Department in Corporation General Fund:	
Fuel	\$15,000
Equipment Rental	\$ 5,000
Clothing allowance	\$ 950
Salaries	\$55,000
Costs for 42 <sup>nd</sup> officer	\$44,242
Health Insurance	\$48,000

It was determined to add back in \$15,000 to the overtime line. The combined net reduction for this was \$159,192.

It was noted that the combination of revenue increases and the spending reductions brought the budget into balance. The Clerk-Treasurer indicated that he would prepare the necessary ordinances for the Town Council's consideration. It was noted that the Trash Fee increase would require action under the terms of the statute at a later meeting.

There were no further discussions or any further matters before the Town Council. The regular study session of the Twenty-Sixth Town Council of Highland of **Monday, September 29, 2008** was adjourned at 9:12 o'clock p.m.

Michael W. Griffin, IAMC/MMC/CPFA  
Clerk-Treasurer